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FM AMCONSUL CHENNAI  
TO RUEHC/SECSTATE WASHDC PRIORITY 0065  
INFO RUEHNE/AMEMBASSY NEW DELHI PRIORITY 1996  
RUEHBI/AMCONSUL MUMBAI 4864  
RUEHCI/AMCONSUL CALCUTTA 0609

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E.O. 12958: N/A

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SUBJECT: BORDER DISPUTE SHUTS DOWN BANGALORE FOR A DAY

REF: CHENNAI 724

**¶11.** (U) SUMMARY: A widespread "bandh" or total work stoppage closed most commercial and other activity in high-tech Bangalore and elsewhere in the state of Karnataka on October 4. Kannada language organizations had called the stoppage over a long drawn-out border dispute with neighboring Maharashtra. Although business was disrupted, the stoppage was largely peaceful. END SUMMARY.

**¶12.** (U) U.S. and other companies in Bangalore partially shutdown operations on October 4, 2006 due to a general work stoppage called by Kannada language organizations. Several companies encouraged workers who could do so to work from home. Contacts at IBM's Bangalore office told us that 24/7 call-center and BPO operations largely remained unaffected as employees were bussed to work ahead of the official 6:00 a.m. start time of the strike.

**¶13.** (U) The work stoppage, which received wide support from political parties, was called to protest perceived central government back-sliding on its commitment to support Karnataka in a long-simmering border dispute with Maharashtra concerning which state should have jurisdiction over the Belgaum area, now part of northeastern Karnataka. Fear of antagonizing Karnataka's Kannada lobby led state Chief Minister Kumaraswamy to initially support the work stoppage. After criticism from the business community, however, the Chief Minister withdrew support on the ground that he had made the state's displeasure known to the Center. The Kannada lobby refused to heed his call, and notwithstanding the Chief Minister's "somersault," the state government ordered the withdrawal of public transport and the closure of schools and colleges, as well as its own offices. Consequently the stoppage was almost total. There were few violent incidents, however. About 100 Kannada activists were arrested following an attempt to disrupt train services. Inter-state road movements were disrupted as trucks carrying cargo clogged both sides of the Karnataka border.

**¶14.** (U) On October 3 post issued a warden message to alert the American community to the work stoppage and expected lack of transportation and other services. The Bangalore chapter of the Overseas Security Advisory Council networked with its membership and the Chennai RSO is to keep the U.S. business community informed. We are unaware of any work stoppage-related incidents involving American citizens. Travelers arriving in Bangalore via air or rail faced considerable distress in getting to their final destinations within the city, however, as local transport remained off the road.

**¶15.** (U) This was the second time Bangalore shut down since April 12-13, 2006 when disturbances broke out following the death of a Kannada movie icon (reftel). This time around the city police took no chances, deploying armed units at sensitive locations. According to contacts at software development giant Infosys, the police provided security for company buses to bring employees into its business processing campus just before the work stoppage began. Katta Subramanya Naidu, Karnataka Industries Minister, optimistically told us that he expected the strike to have no dent on Bangalore's image as an investment destination.

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